

FY 2002 General Fund Summary

The current national recession and subsequent downturn in state revenue collections is driving the budget decisions for FY 2002. The total revenue projection for the current year has been revised downward over \$120 million, and has resulted in a 3% spending holdback for state agencies and a 2.5% holdback for Public Schools, a recommendation from the Governor to cancel the scheduled transfer of \$20 million to the Budget Stabilization Fund, and the evaporation of the unobligated \$64 million left on the table by the 2001 Legislature.

The Governor's revised FY 2002 revenue projection (line 2 below) of \$1,824,100,000 reflects an 8.1% **decrease** from FY 2001 actual revenue collections. In order to augment FY 2002 revenues, the executive budget recommendation cancels the scheduled transfer to the Budget Stabilization Fund (line 4), and also recommends transferring in \$1.2 million from the Idaho Code Commission Fund and \$450,000 from the Hazardous Waste Emergency Fund (lines 5 and 6).

On the expenditure side, in order to balance the current year budget, the executive budget recommendation keeps in place a statewide reduction of \$55.3 million (line 13), which is necessary to accomodate the reduced revenue projection and still make room for supplemental appropriations.

FY 2002 General Fund Summary		
REVENUES	Original Estimate (March, 2001)	Gov. Rec. (Jan, 2002)
1. Beginning balance from FY 2001	\$192,852,200	\$184,890,100
2. FY 2002 Revenue Projection (minus 3.2%)	1,935,463,300	
3. Revised FY 2002 Revenue Projection (minus 8.1%)		1,824,160,000
4. Transfer to Budget Stabilization Fund	(19,998,100)	0
Supplementals: Revenue Transfers:		
5. Transfer in from the Idaho Code Commission Fund		1,177,000
6. Transfer in from Hazardous Waste Emergency Fund		450,000
7. Transfer out to Dept of Lands Fire Suppression Fund		(\$5,300,000)
8. Transfer out to Dept of Lands Pest Eradication Fund		(\$2,685,900)
9. All other transfers		(\$689,900)
10. Total FY 2002 Revenues	\$2,108,317,400	\$2,002,001,300
EXPENDITURES		
11. FY 2002 Original Appropriations	\$2,044,295,100	\$2,044,295,100
12. Reappropriations		6,525,400
13. Expenditure Holdbacks		(\$55,351,800)
Supplementals: Expenditures		
14. H & W: Medicaid benefit payments		4,276,900
15. Veteran's Affairs: replace declining federal funds		1,300,000
16. Attorney General: Hayden Lake fire district lawsuit		336,200
17. Dept of Correction: Work Center Expansion		195,400
18. Military Division: Capitol Mall Security		141,100
19. U of I Ag Research: Biotech security		76,000
20. All other supplementals		207,000
21. Subtotal FY 2002 Expenditures	2,044,295,100	\$2,002,001,300
22. Estimated remaing balance	\$64,022,300	\$0

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The FY 2003 budget scenario is built upon a revenue growth assumption of 4.3% (line 2) after one-time revenue assumptions are factored. In addition, General Funds are augmented by transferring in \$26,723,800 from the Budget Stabilization Fund, \$7,000,000 from the Permanent Bldg. fund originally earmarked for the Pocatello Women's Prison, and \$6,400,000 from the Capitol Endowment Income Fund (lines 8-10). These are one-time revenue sources. On the spending side, the most significant budget issue is a \$99,640,000 base reduction of between 3% and 10% for all agencies except Public Schools.

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REVENUES	Agency Request	Gov. Rec.
1. Beginning Balance from FY 2002	\$0	\$0
2. FY 2002 Executive Revenue Estimate	1,824,100,000	1,824,100,000
3. Plus restoration of one-time tax cuts	13,100,000	13,100,000
4. Plus restoration of one-time withholding impact	24,500,000	24,500,000
5. Base On-going revenues	1,861,700,000	1,861,700,000
6. Plus 4.3% Growth factor	82,460,000	82,460,000
7. FY 2003 Total On-going Revenue Projection	\$1,944,160,000	\$1,944,160,000
Plus one-time revenue adjustments:		
8. Transfer in from the Budget Stabilization Fund	26,723,800	26,723,800
9. Transfer in from the Permanent Building Fund	7,000,000	7,000,000
10. Transfer in from the Capitol Endowment Income Fund	6,400,000	6,400,000
11. Transfer out to the School Safety Loan/Grant Fund	(3,400,000)	(3,400,000)
12. Total FY 2003 Estimated Revenues	\$1,980,883,800	\$1,980,883,800
EXPENDITURES		
13. FY 2002 Original Appropriation	\$2,044,295,100	\$2,044,295,100
14. Reduced FY 2003 Base	\$1,953,572,100	\$1,942,165,600
15. Restored FY 2003 Base	\$2,007,748,000	\$1,996,401,800
16. FY 2003 Statewide 5% Base Reduction	0	(99,640,400)
17. FY 2003 Adjusted Base	\$2,007,748,000	\$1,896,761,400
Maintenance of Current Operations (MCO) Increases:		
18. Personnel benefit rollups (state agencies)	2,721,100	2,716,000
19. State Agency Inflationary increases	6,558,000	0
20. Medical Inflationary Increase	7,922,100	7,922,100
21. Replacement capital outlay	13,970,100	1,109,400
22. CEC (statewide salary increase @1.0%)	5,397,600	11,500
23. Public Schools statutory program distributions	24,583,300	3,205,300
24. Medicaid Caseload Increase	22,728,200	21,273,700
25. Fund Shifts	4,165,500	(2,221,500)
26. All other inflationary requests and annualizations	13,966,300	6,326,900
27. Sub-Total Maintenance of Current Operations (MCO)	\$2,109,760,200	\$1,937,104,800
Enhancement Requests by Functional Area:		
28. Education	130,253,600	38,320,500
29. Health and Human Services	10,525,200	1,099,000
30. Public Safety	12,064,100	3,936,600
31. Natural Resources	2,994,100	0
32. Economic Development	1,551,300	352,300
33. General Government	4,810,600	85,000
34. FY 2002 Grand Total	\$2,271,959,100	\$1,980,898,200
35. Remaining Balance	(\$291,075,300)	(\$14,400)